DEPARTMENT OF CORPORATIONS www.corp.ca.gov

Sacramento, California



IN REPLY REFER TO: FILE NO: OP 15/99

NOTICE OF PROPOSED SECOND FINAL TEXT OF RULES OF THE COMMISSIONER OF CORPORATIONS UNDER THE FRANCHISE INVESTMENT LAW

To Interested Persons:

On January 28, 2000, the Commissioner of Corporations published a Notice of Proposed Changes regarding the proposed adoption of Section 310.100.3 of the Commissioner's rules under the FRANCHISE INVESTMENT LAW (see California Regulatory Notice Register, No. 2000, 4Z.).

Because the final text of Section 310.100.3 differed from the text of the regulations dated January 13, 2000, a copy of the final text was made available on September 8, 2000. Additions to the proposed final text, dated September 8, 2000, were shown by double underlining and deletions are shown by double strike-out. Revisions to the second final text of proposed changes, dated October 25, 2000 are being shown by bold, italic print and are underscored. These changes are being made available to the public in accordance with the requirements of Government Code Section 11346.8(c). The text showing modifications to Sections 310.100.3 is attached. The text of the remaining rule will not be amended further.

REASONS FOR CHANGES

A statement of reasons for the proposed action containing all the information upon which the proposal is based is available from the Office of Policy, Sacramento Office of the Department of Corporations. Request Document OP 15/99-C. As required by the Administrative Procedure Act, the Office of Policy maintains a hearing file containing all the information upon which the proposal is based. The rulemaking file is available for public inspection during regular business hours. Comments or inquiries concerning these proposed regulation changes may be directed to TIMOTHY L. LeBAS, Senior Corporations Counsel, at (916) 322-3553.

Notice is also given that any interested person may present statements or arguments relevant to the proposed action by a written communication addressed to the Commissioner of Corporations. Attn: TIMOTHY L. LeBAS, Senior Corporations Counsel. Office of Policy. 980 Ninth Street, Suite 500. Sacramento, California, 95814-3610, and received on or before 5 p.m., November 9, 2000.

◆ Securities ◆ Franchises ◆ Off-Exchange Commodities ◆ Investment and Financial Services ◆
◆ Independent Escrows ◆ Consumer and Commercial Finance Lending ◆ Residential Mortgage Lending ◆

NOTE: The proposed changes to the Commissioner's rules under the FRANCHISE INVESTMENT LAW set forth above and in the attached final text are not yet effective. These regulations will be filed with the Office of Administrative Law on or about October 6, 2000. When it is known whether the changes to the Commissioner's rules will become effective as proposed, and if so, when, the information will be posted on the Department's website (www.corp.ca.gov) and distributed in the same manner as this notice.

Dated: October 25, 2000

Sacramento, California

WILLIAM KENEFICK Acting Commissioner